

ASX ANNOUNCEMENT

Acumentis Group Limited (ASX: ACU)

13 April 2021

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By E-Lodgement

MARCH 2021 QUARTERLY ACTIVITY REPORT & APPENDIX 4C

Acumentis Group Limited (“the Company”) is pleased to release its Quarterly Activity Report and associated Appendix 4C (Quarterly Cash Flow Report) to the market.

- Revenues up 21% YTD compared to the corresponding 9 month period
- Revenues for March 2021 quarter were \$10.5M
- Acquisition of Saunders & Pitt business extending coverage to Tasmania
- Appointed to additional mortgage valuation panels in key metropolitan centres
- Five consecutive quarters of positive EBITDA
- End of quarter cash balances total \$2.7M

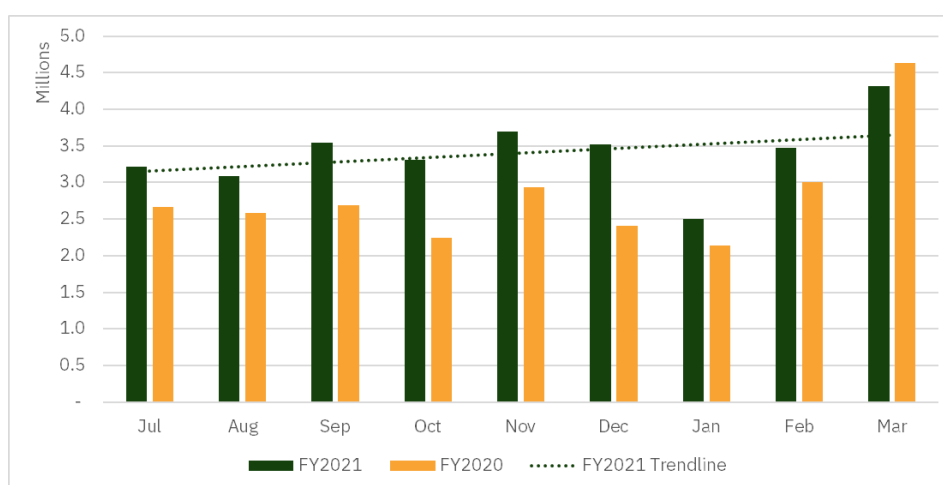
Business Activities for the Quarter

The business activities of the Company remained unchanged during the quarter to March 2021.

Revenues continue to improve with mortgage valuation activity being particularly strong offset by a slight softening of volumes from Government.

March monthly revenues exceeded \$4.4M with year to date revenues reaching \$33.7M compared to \$26.5M the corresponding 9 month period. We anticipate revenues to continue at similar levels for the balance of FY2021.

The graph below displays the fee income (revenue excluding JobKeeper grants, sundry income and share of associates profits) by month for FY2021 & FY2020 and demonstrates the strong and improving revenue trend through FY2021.



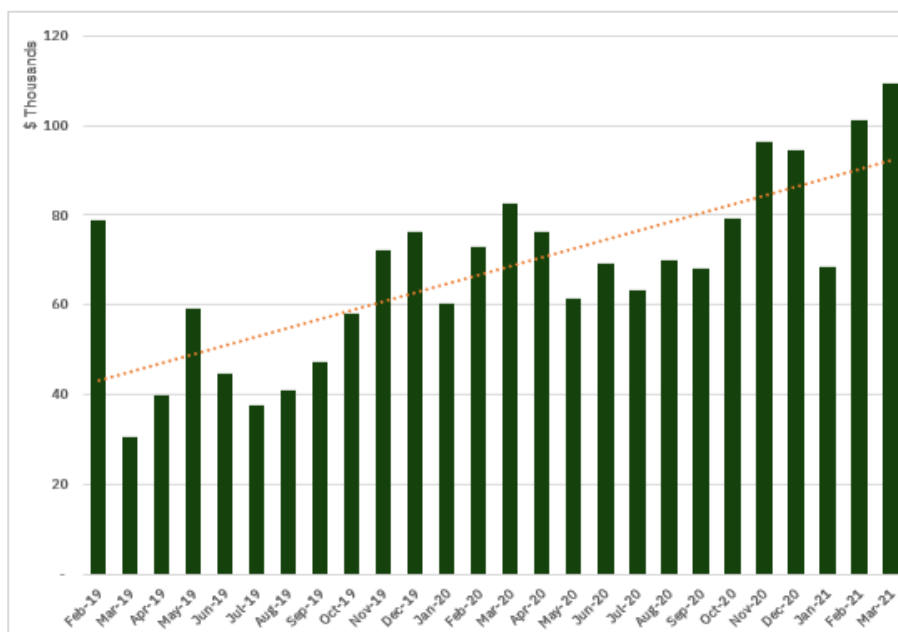
We continue to see growth in mortgage valuations, particularly in regional Australia. Acumentis has also been successful in the appointment to several additional mortgage valuation panels in metropolitan centres in NSW and VIC which will assist with growing the Company’s earnings.

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The following graph shows the average daily fees sourced from mortgage valuation panels by month from early 2019, demonstrating the Company's progress and the strength of this market from late 2020.



The Company expects a strong final quarter from Government revenues in line with prior years and following two subdued quarters. In the previous two years, ACU has achieved an increase in the final quarter of each year.

Cash expenditure was in line with expectations. As per the Company's Appendix 4C announcement on 25 January 2021, cash expenditure includes the upfront payment of its professional indemnity insurance for the 12 months to September 2021.

Cash utilised by operations for the quarter was \$312K. Year to date cash generated by operations was \$2.2M including the cash outflows associated with the upfront payment of professional indemnity insurance premiums.

\$650K of corporate debt was repaid in the December 2020 quarter and a further repayment of \$650K will be made in April 2021.

On 31 March 2021, \$107K cash was paid in relation to the acquisitions of Saunders & Pitt, Tasmania.

At 31 March 2021, the Company has cash balances of \$2.7M and an unused overdraft facility of \$1.2M.

Appendix 4C, item 8.4, indicates available funding of \$3.6M based on the current quarter operating cashflows.

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Acquisition of Saunders & Pitt, Tasmania

As per our ASX releases dated 15 March 2021 and 1 April 2021, the Company has completed the acquisition of Saunders & Pitt, a Tasmanian based valuation business.

The acquisition, in line with the previously communicated strategy of Acumentis, further extends the Company's geographical footprint enabling the provision of a full suite of services to existing and new clients throughout Tasmania. Acumentis expects this to translate to additional operational profit for the business, increasing overall EPS and advancing the Company's growth trajectory.

Payments to Associates (refer section 6 of Appendix 4C)

During the previous quarter, directors' fees totalling \$67,000 were paid to non-executive directors of the Company in line with their employment contracts.

By order of the Board.

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About Acumentis

Acumentis is entrusted to provide commercial and residential valuations, research and property advice to many thousands of homeowners, investors, developers and lenders. The company offers property valuation, insurance valuation and advisory services to clients including major banks and financial institutions, property developers, property trusts, government, lawyers, accountants, real estate agents and major and independent retailers. With 40 offices and more than 300 staff in metropolitan and regional locations around the country, Acumentis is Australia's only independent, locally owned, ASX-listed property valuation company.